

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 93 - HB 103

February 14, 2023

SUMMARY OF BILL: Creates a new licensure under the Board of Cosmetology and Barber Examiners (BCBE) as an eyelash specialist. Requires an eyelash services shop to be licensed under the BCBE and further requires the BCBE to establish rules for the new licensures requirements and to create rules that will enable schools to offer courses of instruction that consist of 50 percent of the hours needed for an eyelash specialist license to be obtained from apprenticeship.

FISCAL IMPACT:

Increase State Revenue –

\$7,000/FY23-24/Strategic Technology Solutions
\$16,000/FY23-24/Board of Cosmetology and Barber Examiners
\$8,000/FY24-25/Board of Cosmetology and Barber Examiners
\$14,100/FY25-26 and Subsequent Years/
Board of Cosmetology and Barber Examiners

Increase State Expenditures –

\$7,000/FY23-24/Board of Cosmetology and Barber Examiners

Other Fiscal Impact – Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The BCBE experienced a surplus of \$93,420 in FY20-21, a surplus of \$151,905 in FY21-22, and had a cumulative reserve balance of \$1,299,621 on June 30, 2022.

Assumptions:

- Based on information provided by the BCBE the estimated number of new licensures for an eyelash specialists and eyelash services shops along with their respective fees are as follows:

Eyelash Specialists:

- 200 new licenses in FY23-24 and 100 in FY24-25;
- Initial fees of \$60 and biennial renewal fees of \$60.

Eyelash Services Shops:

- 20 new licenses in FY23-24 and 10 in FY24-25;
- Initial fee of \$200 and a renewal fee of \$100 biennially.

- The increase in state revenue is estimated to be \$16,000 [(\$60 initial fee x 200 eyelash specialist) + (\$200 initial fee x 20 eyelash shops)] in FY23-24.
- The increase in state revenue to the BCBE is estimated to be \$8,000 [(\$60 initial fee x 100 eyelash specialist) + (\$200 initial fee x 10 eyelash shops)] in FY24-25.
- The average total number of eyelash specialist initial licenses and renewals issued each year, beginning in FY25-26, is estimated to be 200 for a total increase in state revenue to the BCBE of \$12,000 (\$60 initial/renewal fees x 200 total licenses).
- An average of 15 eyelash services shops will renew licenses each year, beginning in FY25-26, while an average of 3 new eyelash service shops will apply for an initial license annually, beginning in FY25-26, for a total increase in state revenue to the BCBE of \$2,100 [(15 renewals x \$100) + (3 initial licenses x \$200)].
- The total increase in state revenue to the BCBE in FY25-26 and subsequent years is estimated to be \$14,100 (\$12,000 + \$2,100).
- There will be a one-time increase in state expenditures of \$7,000 to implement program modifications to the BCBE licensing system in order include the additional two new licenses in FY23-24.
- Such program modifications will be completed by the office of Strategic Technology Solutions (STS) in the Department of Finance and Administration; therefore, there will be an increase in state revenue to STS of \$7,000 in FY23-24.
- The BCBE can promulgate rules on the new licensures and can establish rules enabling courses of instruction for an eyelash specialist license within existing resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The BCBE experienced a surplus of \$93,420 in FY20-21, a surplus of \$151,905 in FY21-22, and had a cumulative reserve balance of \$1,299,621 on June 30, 2022.

IMPACT TO COMMERCE:

Increase Business Expenditures –\$16,000/FY23-24
\$8,000/FY24-25
\$14,100/FY25-26 and Subsequent Years

Assumptions:

- The cost of licensing and licensing renewals will be paid primarily by individuals or business owners.
- The increase to business expenditures is estimated to be \$16,000 in FY23-24, \$8,000 in FY24-25 and \$14,100 in FY25-26 and subsequent years.
- No significant impact to jobs in TN.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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